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STATE OF MICHIGAN
OFFICE OF FINANCIAL AND INSURANCE SERVICES
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES

LINDA A. WATTERS
COMMISSIONER

www.michigan.gov

Effective Date 5/7/03
Education 2003/0001

Memorandum

DATE: May 7, 2003
TO: All Continuing Education Providers
FROM: Sonya W. Dungey
Director of Licensing
RE: Updates and New Processes

Let me take this opportunity to officially introduce myself to you and your organization. My name is Sonya Dungey, director of licensing for the Office of Financial and Insurance Services (OFIS). My appointment was effective October 11, 2002.

After the state's 2002 early retirement program, OFIS experienced several transitions as it modified its method of operations. As part of those transitions, we have been very busy streamlining processes and practices to obtain better customer service for our clients. I would like to address some changes I will be implementing that will directly impact your programs and/or processes.

30-day Reporting Period

Providers must report the \$1.00 per credit hour on behalf of a licensee within 30 days of a course completion using the EasyBank software provided by Promissor (formerly ASI). Failure to meet this requirement will result in a suspension or termination of Michigan licenses and triggers an investigation by OFIS staff.

Please consider this letter our notice to enforce the requirement to ensure consistency and the timely submission of information. Any provider who fails to meet the 30-day filing requirement will be assessed a civil penalty of \$500 per licensee.

Additionally, Promissor will notify OFIS of any providers not meeting the 30-day filing requirement. If no licensees are impacted, a warning will be sent on the first infraction. However, if another infraction occurs, a fine will be assessed, at \$500 per licensee.

Course Expiration Dates

Effective immediately, courses will expire 2 years from the date of approval. Through auditing and enforcing the portion of the CE application package of no course activity, i.e., no reporting of credit hours for an approved program, it has come to our attention that many of the courses are either not

being used and/or are in need of refiling due to material changes. Therefore, all courses approved prior to August 30, 2001 will be terminated automatically effective August 30, 2003. Licensees will not receive credit for these courses completed after that date. This should allow providers plenty of time to submit a new application, filing fee, supporting documentation, and complete the review and approval process. Formal action will be taken against providers should they try to offer the program after the expiration date.

Each month thereafter, OFIS/Promissor will terminate courses that exceed the 2-year period. It will be your responsibility to monitor the course expiration dates. Should you need a list of active courses, please contact Promissor directly.

Disinterested Third Party/Self Study Programs

We recently had discussions with the committee at the NAIC level that has been charged with creating uniformity among the states. The concept that is being proposed is if providers operate in many different states they are considered “national providers.”

Michigan has made the distinction between self-study national providers and other self-study providers. National Providers provide a recognized professional designation for the industry, classes are similar to college level courses and candidates must go to a specific test center to take their exams.

In order to broaden the definition of “national provider,” Michigan is not yet going to mandate a specific exam site for administering CE self-study examinations as part of the course completion process. However, in lieu of a formal testing facility, all providers must have licensees sign a disinterested third party affidavit to earn credit through self-study programs. Providers must begin obtaining this information by August 30, 2003.

Providers must also detail how they will enforce and verify that the licensee’s “disinterested third party” meets the provider’s criteria. Failure to provide such confirmation will result in licensees attending a formal testing location with monitors present and will result in formal action against your status as a provider in Michigan. Michigan will begin on-site auditing of self-study providers’ records to verify this information is being captured in addition to assuring that all criteria sent to all providers in June, 2000 are being met. If you need a copy of the auditing criteria, please contact our office at mbukos@michigan.gov or 877-999-6442.

OFIS Web site/Revised CE FAQs

Finally, we are in the process of updating our web site and transforming many of the tedious documents into Informational Bulletins. We had hoped to accomplish this task by this date; unfortunately, it has taken longer than anticipated.

We highly recommend you visit our web site at www.michigan.gov/ofis, specifically http://www.michigan.gov/cis/0,1607,7-154-10555_12903_12908---,00.html and review the revised CE FAQs. These are designed to assist both the individual licensees and providers. Please continue to monitor our web site for additional updates.

We are hoping to revamp the CE application packet by June 30, 2003. However, the procedures outlined above will supersede any processes outlined in the application packet currently posted on the Promissor web site.

Thank you for your continued cooperation and assistance. Should you have any questions, please contact Marlene Bukoski, Education Administrator, at mbukos@michigan.gov or 877-999-6442.

Cc: Marlene Bukoski, OFIS
Mark Weigold, OFIS
Jim Fryer, Promissor